FOR MYSORE STATE

8,405—3-11-55.

Agri **(1955) Department.**

Rt. **SERIES.**

G.O. No. 468

Dated 13.4.1955

Pass

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(6)

[Despatch Abstract.]

Civil Supplies — Wheat — South Kanara district — Stock entrusted to the South Kanara Central Coop. Stores — Allowance for Shrinkage — Payment — Sanctioned

BOARD OF REVENUE (CIVIL SUPPLIES)
SUBJECT
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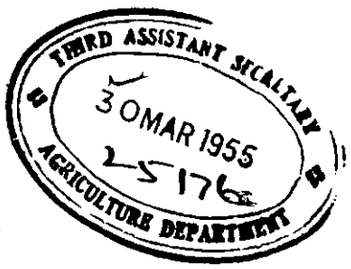
WHEAT -South Kanara district -Entrustment - to South Kanara Central Cooperative Wholesale Stores Ltd. Grant of shrinkage allowance- Proposals submitted.

Boardls Ref.No.66942/B/54 CS dated 22.3.1955.

SRI M.V. SUBRAMANIAN, I.C.S.,
Commissioner for Land Revenue,
Civil Supplies & Settlement.

SRI K. SUPPA MENON, I.A.S.,
Secretary to the Commissioner of
Civil Supplies & Food Production.



Read:-From the Collector of South Kanara 30780/54 R1(ii) dated 7.1.55
2.From the Collector of South Kanara Ref.30780/54 R1 dated 22.2.1955.

Submitted to the Government.

2.The President, South Kanara Central Cooperative Wholesale Stores ltd. has claimed a shrinkage allowance of Rs.1498.10.9 on 1595 mds. and 36 seers of wheat sold after 1-3-1954 out of the stocks entrusted to the stores on agency basis at Re,0.1.6 per md. The stores is entitled to the allowance according to the existing orders. The Collector of South Kanara has explained in his letter dt.7.1.1955 how it was not possible to include this allowance in the release price of stocks.

3. There was a shortage of 40 mds. and 17 srs. of wheat when the stocks were standardised in March 1954. According to the existing orders the shorage agent has to bear this loss.

4. In the circumstances reported by the Collector of South Kanara in his letter cited the Board requests that sanction may be accorded to the payment of a net amount of Rs.821.15.7 to the South Kanara Central Cooperative Stores as shrinkage allowance (ie) the value of the shortage of 40 mds. and 17 seers of wheat amounting to Rs.676.11.2 will be deducted from Rs.1498.10.9 payable to the stores as shrinakge allowance.

5. The expenditure is debitable to 85-A a Grain Supply Schemes.C.Wheat and Wheat Products-1. cost of purchase of grain (ii) losses.

29/3/55
for SECRETARY.

To the Secretary to Government,
Agriculture Department,
Fort St, George, Madras. (with encls.)
Copy to the Collector of South Kanara.
Copy to Accounts.

MRJ 24/3/55/

Copy of Ref.C.No. 30780/54 Ri(ii) dt.7.1.55 from the Collector of South Kanara to the Secretary to the Commissioner of Civil Supplies Board of Revenue Chepauk, Madras.

Sub:- WHEAT -South Kanara district-allotment from Coimbatore district-stocks held by the South Kanara Central Cooperative Wholesale Stores Ltd. Mangalore-on agency basis -Shrinkage-allowance-Payment of report-submitted.

Ref:-Board's Ref.No.66992/H/54 CS dated 24.12.1954.

Six hundred tons of wheat was allotted to this district in Board's ref.No.5992/H/54 -dated 25.1.1954 and 11.2.54 from the stocks of wheat held in the Government godowns on agency system in Coimbatore District. The stocks were received in this district in the month of February and March 1954 and delivered to the South Kanara Central Cooperative Stores Ltd. Mangalore ex-Railway station. The stocks were originally received at Coimbatore district and held in the Government or agency godowns and thereafter transferred to this District under agency system. This is a second stage of transfer and as such all extra transport charges from Coimbatore District standardisation charges, godown rent, shrinkage allowance and agent's commission will have to be added while fixing the release price in this district. The release price of this stock was fixed in the months of February and March 54 The payment of shrinkage allowance was ordered in Board's Ref. No.8984/A3/54 -1 CS dated 11.3.1954 and fixed at 1½ annas per maund by my predecessor on 26.5.54 with retrospective effect from 1.3.54. Thus the shrinkage allowance could not be included in the release price for the stocks sold from 1.3.54 to 26.5.54. However shrinkage allowance was not added in the release price of stocks sold after 26.5.54 also, thinking that the release price cannot be altered in the middle and that the facts may be reported to the Board later on.

2. The President, South Kanara Central Cooperative wholesale Stores Ltd. Mangalore has claimed a sum of Rs.1498.10.9 towards shrinkage allowance on 15,985.36 maunds of Coimbatore allotment wheat sold after 1.3.54. The revised agreement stipulating the payment of shrinkage allowance at the rate of 1½annas per maund, on the stocks sold after 1.3.54 was executed by the President, South Kanara Central Cooperative Wholesale stores Ltd., Mangalore on 23.8.54 and as per clause 6 of the revised agreement, the claim preferred by the stores towards shrinkage allowance is in order. The claim preferred by the stores has been checked with the Register of issues of stock maintained in this Office and found correct.

3. It is true that the stocks of wheat in question were handed over to the South Kanara Central Cooperative Wholesale Stores Ltd. Mangalore and the standardisation of the bags were done by them after they took delivery of the stocks, Standardisation of stocks were done in the months of Fehruary and March 1954 i.e. as and when the stocks were received in this district. An excess of 18.17 maunds of wheat was noticed as a result of standairdisation in the month of February 1954, while a shortage of 40.17 maunds was noticed on account of standardisation in March 1954. Standardisation of bags was done in the presence of responsible Government Officers soon after the arrival of stocks and there is no reason to suspect that the stocks might have been meddled with before standardisation in view of the fact that excess and deficit have been noticed after standardisation. The shortage on account of standardisation is presumably due to depreciation. Consequent on long storage the stocks were originally received in Coimbatore

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District and transferred to this District after a period of 4 to 6 months. The net weight noted in the despatch advices might be the reputed weight arrived at after cent per cent weighment In view of the above facts, the South Kanara Central Cooperative Wholesale stores Ltd. Mangalore may not be held responsible for the standardisation shortage of 40.17 maunds of wheat. The circumstances under which the shrinkage allowance was not included in the release price has been explained in para above. I therefore request that the fact of not having included the shrinkage allowance in the release price of wheat may kindly be approved. Sanction may also be accorded for payment of Rs.149.10.9(One thousand four hundred ninety eight annas ten and pies nine only to the South Kanara Central Cooperative wholesale stores Ltd. Mangalore.

4. The certificate prescribed in Board's Ref.No. 44666/H/54-CS dated 29.6.54 is furnished below:-

"Certified that the gazetted Assistant has personally looked into the accounts and registers, and has satisfied himself that the amount is due to the South Kanara Central Cooperative wholesale stores, that it has not been paid in the past and is therefore available for payment now and that no sum is due from the South Kanara Central Cooperative wholesale stores Ltd. Mangalore to the Government.

/true/copy/

MRJ 24/3/55/

S. Raghupathi
SUPERINTENDENT.

28/3/55

Copy of letter Ref.30780/54 R1 dated 22.2.1955 from the Collector of South Kanara, Mangalore to the Secretary to the Commissioner of Civil Supplies, Board of Revenue Chepauk, Madras.

Sub:-WHEAT -South Kanara district-stocks held by the South Kanara Central Cooperative wholesale stores-Ltd. Mangalore on agency system -Shrinkage allowance-Payment of -Revised proposals-submitted.

Ref:-Board's Ref.No.66992/H/54-CS dt 31.1.1955.

With reference to the Board's order cited, I submit herewith revised proposals for the payment of shrinkage allowance to the south Kanara Central Cooperative Stores Ltd, Mangalore in respect of two allotments of wheat received, from Coimbatore District and sold after 1.3.54.

Name of Allotment	Quantity sold after 1.3.54	Amount of shrinkage Allowance at 1½ annas per Md.
1	2	3
Xth Allotment	5,007. 35	Rs. 469. 7. 9
XIth Allotment	10,998.01	1029. 3. 0
Total amount of shrinkage allowance payable to the South Kanara C.C.W. Stores Ltd. Mangalore.		1498.10. 9
Deduct value of 40 Maunds 17 seers of Wheat at Rs.16.11.10) per Maund.		676.11. 2
NET AMOUNT		821.15. 7

BREAK UP PARTICULARS OF RS.16.11.10 WHICH WAS THE RELEASE PRICE ADOPTED AT MANGALORE CENTRE IN MARCH 1954 I.E. THE MONTH IN WHICH SHORTAGE OCCURED:

	Rs. as. ps.
1.Average for price C.S.E.Dt. including administrative surcharge of Rs.0.10.8 per Md.	15. 12. 3
2.Average Ry.Freight incidental charges at Mangalore and Godown rent for February 1954	0. 11.10
3.Standardisation charges per Md.	0. 1. 3
4.Godown rent for March 54	0. 0. 6
5.Agents' Commission	0. 2. 0
6.Agent's issue price to retailers in March 1954	Rs. 16. 11.10

3. According to the orders contained in Board's Ref No.8984/A3/54-10 dated 29.5.54 all shortages in storage or due to standardisation should be borne by the storage agents. The shortage of 40 Mds, and 17 seers of wheat was noticed as a result of standardistion in the month of March 1954, and as per terms of agreement of S.K.C.C.W. stores Ltd. Mangalore has to make good the value of shortages. However the stores has not so far paid the value of shortages and it will, have to be deducted from the shrinkage allowance due to the stores. I therefore request that the sanction

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sanction may be accorded for the payment of Rs.1498.10.9 One thosuand four hundred ninety eight, annas ten and pies nine only towards the shrinkage allowance due to the stores on account of the sale of C.B.E.allotment wheat from 1.3.54 . A sum of Rs.676.11.2 six hundred sevety six annas eleven and pies two only being the value of 40-17 mds.of wheat at Rs.16.11.10 per maund may be ordered to be remitted to the Board,out of the sum of Rs.1498.10.9 recommended for sanction and the balance amount of Rs.821.15.7 Eight hundred twenty one, annas fifteen and pies seven only may be ordered to be paid to the stores.

2.In view of the above proposals there is no need to write off of the value of shortages of 40 maunds and 17 seers of wheat at the subsidised rates as observed in para 2 of the Board's ref.No.66992/H/54-7 -10-54 .Hence no further action need be taken on my letter Ref.C.No.3235/54 R1 dated 20.10.54.

/true/copt/

S. Raghupathi
SUPERINTENDENT

MRJ W4/3/55/

28/3/55

Agri. (A.II).

Minute paper

A/13/4/55

(Ce. no. 25176-A II/55).

Sub: C.S. – Wheat – S. Kanara district – Stock entrusted to the S. Kanara Central Coop. Stores – Allowance for shrinkage – Payment – Sanctioned.

Read: –

From the Bd. of Rev. (C.S.) no. 6694/B/55 C.S., dated 22.3.55.

G.O. Rt. no. 468 dated 13/4/55.

In the circumstances reported by the Bd. of Rev. (C.S.) in its reference cited, sanction is accorded to the payment of a sum of Rs. 821-15-7 (Rupees eight hundred and twenty-one, annas fifteen and pies seven) to the South Kanara Central Co-operative Stores being as shrinkage allowance on a consignment of 15985 mds. 36 seers of wheat entrusted to the Stores on various dates in Feb. and March 1954.

2. The sum of Rs. 676-11-2 (Rupees six hundred and seventy-six, annas eleven and pies two) being the value of 40 mds 17 seers of wheat found short should be deducted from the amount payable to the Stores before the pay payment is made to them.

3. The expenditure should be

(P.T.O.)

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paras 2 and 4 on p1 cf

Rupees

after deducting the value of the shortage of 40 mds 17 seers of wheat amounting to Rs 676-11-2 from the total amount of Rs 1498-10-9 distributed

1498-10-9
676-11-2
821-15-7

para 4 on p1 cf

paras 3 on p1 cf

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debited to the head "85-A.a. Grain Supply Schemes – c. Wheat & Wheat products – 1. Cost of purchase of grain – (ii) Losses".

CENTRAL DESPATCH BRANCH
Ver.
Initialled by
Date ... Desp. Clerk, Initials.

3/6/55 5/4/55 8/4/55

1 To the Bd of Rev. (C.S.)
2 do (Accts. Branch)
3 To the A.G., Madras thro' Finance. (with a copy of pp. 1-6 c.f.)
4 To the A.G., Madras direct by name.

S. Rs. 2.

Note.

Please see the reference from the Bd. of Revenue (Rutges) and its enclosures at pp. 1-6 c/f. The Board has reported that the Stores is entitled to the para 2 unplg Shrinkage allowance of Rs. 1,498-10-9; but it has recommended that a sum of Rs. 676-11-2 para 3 unplg being the value of Shortages should be deducted from the amount due to the Stores as it has to bear this loss according to the existing orders. Subject to orders, a draft order accepting the Board's recommendation is put up on pp. 1-2 above for approval. Finance may see for acceptance.

Agri
Gene
13/4/55

Fin. U.O. No. 29136 Accts/55
11-6-55

5/4/55 8/4/55

THIRD ASSISTANT ... 29155
1 8 APR 1955
AGRICULTURE DEPARTMENT
U.O. No. 25176-A.II/55-1

Fin (Accts)

The draft order on pp. 1-2 above may be accepted in Finance.

11/4/55 11/4/55 11/4/55

DEPUTY SECRETARY TO GOVERNMENT
29136
9- APR 1955
FINANCE DEPARTMENT

13/4/55